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Message Text

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51
ACTION NEA-09

INFO OCT-01 ISO-00 AID-05 IGA-01 AGR-10 CIAE-00 COME-00

EB-07 INR-07 LAB-04 NSAE-00 RSC-01 SIL-01 TRSE-00 L-02

DODE-00 DOTE-00 FMC-02 OMB-01 SS-15 NSC-05 SP-02 /073 W
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R 271242Z JAN 75
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 1687

UNCLAS CAIRO 0962

FROM AMCONSUL ALEXANDRIA

E.O. 11652: NA
TAGS: EWWT, EAID, EG
SUBJECT: HANDLING OF WHEAT SHIPMENTS IN ALEXANDRIA PORT

REF: CAIRO 0434 AND CAIRO 0530

1. OFFLOADING CONTINUES OF TWO PL480 WHEAT SHIPS NOW IN ALEXANDRIA PORT: SS MARYLAND TRADER HAS REACHED DAILY DISCHARGE RATE OF 1100-1200 TONS, EXPECTS TO HAVE EMPTIED HALF OF ITS 19,800 TON CARGO BY 24 JANUARY, AND ESTIMATES DEPARTURE ALEXANDRIA BY 3 FEBRUARY; MOUNT JULI (PANAMANIAN) OFFLOADING STILL SLOW AT ABOUT 750 TONS PER DAY, AND, WITH OVER 9000 TONS WHEAT REMAINING IN HOLD, WILL PROBABLY REQUIRE TWO MORE WEEKS (FOR TOTAL OF ALMOST SIX WEEKS) DOCKSIDE. NUMBER OF OTHER WHEAT SHIPS IN ALEXANDRIA HARBOR AWAITING QUAY HAS DROPPED TO SEVEN, A SUBSTANTIAL IMPROVEMENT OVER AVERAGE 10-15 SHIP QUEUE OF RECENT MONTHS.

2. FURTHER TO DIFFICULTIRES PREVIOUSLY NOTED (SECOND REF), FOLLOWING MAY ALSO HELP CLARIFY EXISTING PROCEDURES RE HANDLING WHEAT SHIPS IN ALEXANDRIA:

A. STEVEDORES: UNLIKE THE REST OF THE HARBOR AREA WHICH IS UNDER THE CONTROL OF THE PORT AUTHORITY (A SECTION OF THE
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MARITIME TRANSPORT MINISTRY) AND SERVICED BY THE GOVERNMENT

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STEVEDORING AGENCY, THE WHEAT DOCKS ARE ADMINISTERED BY THE MINISTRY OF SUPPLY AND LABOR IS PROVIDED BY PRIVATE CONTRACTORS. EACH WHEAT DOCK HAS AN INDEPENDENT CONTRACTOR WHO HAS AGREEMENT WITH SUPPLY MINISTRY, THROUGH SILOS ORGANIZATION, TO PROVIDE WORKERS TO OFFLOAD WHEAT SHIPS AT SO MUCH PER TON. ALTHOUGH IN THEORY CONTRACTOR IS PREPARED WORK AROUND THE CLOCK, IN PRACTICE HIS LABORERS USUALLY ARE ON THE JOB NO MORE THAN 12-14 HOURS PER DAY. THIS OCCURS BECAUSE CONTRACTOR UTILIZES WORKERS UNTIL THEY COLLAPSE FROM EXHAUSTION; CONCEPT OF SHIFT WORK OR CHANGE OF CREW IS NOT FOLLOWED. CONTRACTORS RELUCTANT HIRE MORE STEVEDORES FOR FEAR THIS WILL REDUCE THEIR PROFIT MARGIN, EVEN THOUGH BY INCREASING WORK FORCE AND OFFLOADING EFFICIENCE THEY COULD GET FASTER TONNAGE TURNOVER. SHIP CAPTAINS AND/OR PORT STEWARDS ARE CONSTANTLY INVOLVED IN LABOR NEGOTIATIONS WITH CONTRACTORS WHO AT MOST SPEAK ONLY PIDGIN ENGLISH.

B. BARGE VS HOPPER OFFLOADING: SHIPPERS UNDERSTANDABLY PREFER DISCHARGE WHEAT INTO BARGES ALONG SIDE SHIPS RATHER THAN RELY ON HOPPERS LOCATED ON QUAYS. BULK OFFLOADING INTO BARGES IS FASTER, REQUIRES NO BAGGING, AND HAS ADDED ADVANTAGE THAT BARGES HAVE OWN CREWS WHO ARE NOT CONTROLLED BY STEVEDOR CONTRACTOR. RECEIVERS, HOWEVER, PUSH FOR HOPPER DISCHARGE BECAUSE BARGES OFTEN IN SHORT SUPPLY, COST EXTRA, AND, ONCE DISPAT CHED, TEND TO GET "LOST" ENROUTE CAIRO VIA RIVER-CANAL SYSTEM. AFTER SEVERAL DAYS OF NEGOTIATIONS, MARYLAND TRADER AND SILOS MANAGEMENT REACHED AGREEMENT WHEREBY BARGES WITH UP TO 500 TONS PER DAY CAPACITY WOULD BE FURNISHED WITH REST OF DAILY OUTPUT TO BE PROCESSED IN HOPPERS. MOREOVER, TO TAKE ADVANTAGE OF PEAK EFFICIENCY OF STEVEDORING CREWS, EMPHASIS WOULD BE ON USING HOPPERS DURING DAY AND BARGES AT NIGHT. BOTH SHIPPERS AND RECEIVERS HAVE SHOWN FLIEXIBILITY AND GOOD DEGREE OF MUTUAL UNDERSTANDING IN WORKINGOUT THIS ARRANGEMENT.

C. VACUVATORS: NUMBER AND EFFICIENCY OF SHIPPERS' VACUVATORS IS PROBABLY RECEIVERS BIGGEST GRIPE. SS VANTAGE HORIZON, WHICH CHARTERED 17 MACHINES ON ARRIVAL ALEXANDRIA, HAD NO PROBLEM IN THIS REGARD AND INDEED DEMONSTRATED TO EGYPTIAN OFFICIALS THAT OFFLOADING 2000-3000 TONS PER DAY IS READILY ACIEVEABLE
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GOAL. MOST OF MOUNT JULI'S RELATIVELY POOR OFFLOADING RATE, ON OTHER HAND, DIRECTLY ATTRIBUTABLE TO SMALL NUMBER (SIX), BREAKDOWNS, AND LOW CAPACITY OF ON-BOARD VACUVATORS; DESPITE REPEATED OFFERS FROM PORT AUTHORITIES TO RENT JULI ADDITIONAL MACHINES (AT $3 PER TON), JULI OWNERS HAVE REFUSED TO GIVE IN. MARYLAND TRADER CARRIES EIGHT VACUVATORS, BUT DUE TO MALFUNCTIONS (CAUSED TO CONSIDERABLE EXTENT BY INEFFICIENCY OF STEVEDORES) HAS HAD ON AVERAGE 5-6 OPERATING AT ANY GIVEN TIME. THIS HAS

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STILL PROVIDED ENOUGH CAPACITY TO EXCEED THOUSAND TON
A DAY CHARTER PARTY AGREEMENT. SILOS OFFICIALS RECOMMEND
ALL WHEAT TANKERS HAVE MINIMUM OF EIGHT WORKING VACUVATORS.

D. AGENTS: DESPITE STEADY PRESSURE FROM SHIPPERS (AND
CONGEN), AGENT (THEBES COMPANY HANDLES NEARLY ALL WHEAT
SHIPS) CONTINUES TO PROVIDE ONLY MINIMUM SERVICES. COMPLAINT
ABOUT AGENTS' PERFORMANCE IS MOST COMMON THEME AMONG THOSE
IN ALEXANDRIA CONNECTED WITH SHIPPING; IMMEDIATE, DRAMATIC
CHANGES ARE NOT TO BE EXPECTED, ALTHOUGH BIT BY BIT IMPOROVEMENT
IN AGENTS' SERVICES MAY BE FORTHCOMING. AGENT'S EMPLOYEE
ASSIGNED TO "ASSIST" EACH ARRIVING WHEAT SHIP RARELY APPEARS
AT SHIP MORE THAN ONCE DPPER DAY AND SEEMS CAREFULLY TO AVOID
BECOMING INVOLVED IN SHIPPERS' PROBLEMS WITH STEVEDORES, BARGE
OPERATORS, OR OTHER CONCERED PARTIES. MARYLAND TRADER CAPTAIN
REMARKED THAT LOCAL AGENT IS FIRST HE HAS ENCOUNTERED WORLD-
WIDE WHO DOES NOT PUT CAR AT SHIP'S DISPOSAL; IN FACT, AGENT'S
EMPLOYEE COME TO SHIP IN TAXI, THEN SUBMITS BILL TO CAPTAIN.
AGENT DOES RESPOND TO CAPTAIN'S SPECIAL REQUESTS, SUCH AS
ARRANGING DOCTOR FOR SICK CREWMAN OR RENTING CRANES TO
MOVE VACUVATORS, BUT DUTIFULLY ADDS TO BILL UP
TO 35 PER CENT FOR HIS SERVICES.

3. GIVEN COMPLEXITY OF LIFE IN ALEXANDRIA PORT, LIMITED ROLE
OF OFFICIAL AGENTS, AND POSSIBLE UTILITY OF HAVING ARABIC-
SPEAKING EXPEDITOR AVAILABLE, SHIPPERS MAY WISH TO CONSIDER
HIRING EGYPTIANS WHO CAN ACT AS LOCAL REPRESENTATIVES.
NUMBER OF EGYPTIANS WITH NAVAL/MARITIME EXPERIENCE HAVE
ALREADY INQUIRED AT CONGEN RE SUCH REPRESENTATION.
WHILE NONE HAS INDICATED LEVEL OF COMPENSATION DESIRED,
RELATIELY LOW SALARY SCALES IN EGYPT SUGGEST THAT
RETAINER COULD BE MODEST. SIGNED CHASE.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WHEAT, MARINE TRANSPORTATION, PORT CONGESTION, PL 480 TITLE 1
Control Number: n/a
Copy: SINGLE
Draft Date: 27 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO00962
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750029-0702
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750119/aaaaaqfb.tel
Line Count: 154
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 CAIRO 0434, 75 AND CAIRO 0530
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 11 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 APR 2003 by MarshK0>; APPROVED <18 FEB 2004 by ShawDG>
Review Markings:

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US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: HANDLING OF WHEAT SHIPMENTS IN ALEXANDRIA PORT
TAGS: EWWT, EAID, EG, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006